

### REMARKS

Applicant respectfully requests reconsideration of the instant application in view of the amendments, herein, and the following remarks:

The following claims are *pending*: 1-20.

The following claims are *independent*: 1, 8 and 14.

Please *amend* claims 1, 8-14 and 20; although these claims have been amended herein to provide clarification, correct typographical inaccuracies and/or informalities, and/or to better track practical/commercial implementations/practices, Applicant submits that the originally filed claims are patentable and reserves the right to pursue the originally filed claims (as well as any claims dependent therefrom) at a later time and/or in one or more continuation/divisional application(s). Applicant submits that these claim amendments are supported throughout the originally filed specification and that no new matter has been added by way of these amendments.

### **Claim Rejections - 35 U.S.C. § 101**

The Office Action has rejected claims 1-7 and 11-20 under 35 U.S.C. § 101 as allegedly directed to non-statutory subject matter. Applicant respectfully traverses this rejection. Applicant submits that there is no test for non-statutory subject matter that subjectively precludes the aforementioned claims. MPEP § 2106, Section IV, states “claims directed to nothing more than abstract ideas (such as mathematical algorithms), natural phenomena, and laws of nature are not eligible for patent protection.” MPEP § 2106 also discusses “[w]hile abstract ideas, natural phenomena, and laws of nature are not eligible for patenting,

methods and products employing abstract ideas, natural phenomena, and laws of nature to perform a real-world function may well be.”

Applicant submits that the elements recited in the claims are, in fact, directed to statutory subject matter and do not fall within the recognized Judicial Exceptions as merely abstract ideas (such as mathematical algorithms), natural phenomena, and/or laws of nature. Applicant respectfully traverses the Examiner’s rejection and reserve the right to argue patentability of the claims in their original form at a later time.

In the pending rejection, the Examiner alleges “[t]he mere recitation of the machine in the preamble with an absence of a machine in the body of the claim fails to make the claim statutory under 35 U.S.C. 101” (p. 5, ¶ 1, Office Action). Applicant respectfully disagrees and submits amended independent claim 1 recites a “processor-implemented method ... comprising: ... identifying via a processor ... .” As such, Applicant submits that independent claim 1 is directed to statutory subject matter. Similarly, Applicant submits independent claims 11-14 are also directed to statutory subject matter for at least similar reasons.

Applicant further submits that claims 2-7 and 15-20, which depend directly or indirectly from independent claim 1 and 11-14, respectively, are also directed to statutory subject matter for at least the reasons discussed above, and that claims 9-14 are in a condition for allowance. Should the Examiner maintain the rejection, Applicant respectfully requests that the Examiner provide specific explanation describing how claims 8-12 and 14 are allegedly directed to non-statutory subject matter.

Accordingly, Applicant respectfully requests reconsideration and withdrawal of this ground of rejections.

### **Claim Rejections - 35 U.S.C. § 112**

The Office Action rejected claims 1-20 under 35 U.S.C. § 112, 2nd paragraph as allegedly being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicant regards as the invention. Although Applicant submits these claims are clear and definite per 35 U.S.C. § 112, Applicant have amended claims 1, 8-14 and 20 herein to provide further clarification, correct typographical inaccuracies and/or informalities, and/or to better track practical/commercial implementations/practices. As such, Applicant believes the issues raised by the Examiner have been rendered moot.

### **Claim Rejections - 35 U.S.C. § 103**

The Office Action rejected claims 1-2, 4, 7-10 and 12-13 under 35 U.S.C. § 102(e) as allegedly unpatentable over Finkelstein, US Pub. No. 2001/0037284 (hereinafter "Finkelstein"), in view of White, Jr., US Patent No. 7,454,378 (hereinafter "White").

Applicant respectfully traverses these rejections and submits that a *prima facie* showing of obviousness has not been made and that the applied references, taken alone or in combination, fail to discuss or render obvious every element of each noted claim(s).

MPEP § 706.02(j) prescribes that a rejection under 35 U.S.C. § 103 should set forth:

- (A) the relevant teachings of the prior art relied upon, preferably with reference to the relevant column or page number(s) and line number(s) where appropriate;
- (B) the difference or differences in the claim over the applied

reference(s);  
(C) the proposed modification of the applied reference(s) to arrive at the claimed subject matter; and  
(D) an explanation as to why the claimed invention would have been obvious to one of ordinary skill in the art at the time the invention was made. (MPEP § 706.02(j))

Applicant submits that the rejections in the pending Office Action do not establish at least requirement(s) (A) and (B) of a prima facie showing of obviousness.

Applicant submits the cited references, taken alone or in combination, do not discuss or render obvious at least the following element(s) as recited, *inter alia*, in amended independent claim 1:

A processor-implemented method for automatically identifying a counter party position for a short or long position, the method comprising:

...  
identifying via a processor at the first terminal a selected short position from the at least two member short positions and a selected long position from the at least two member long positions, ...;

...  
wherein the transaction includes a system-facilitated lending on a pro-rata basis between the selected positions if total selection member long position is greater than total selection member short position for a given financial instrument and borrowing on a pro-rata basis if total selection member short position is greater than total selection member long position for a given financial instrument.

The Office Action alleges Finkelstein's paragraphs 40, 44-47, 49, 56, 82 and 89 discuss the claimed "identifying ... a selected short position from the at least two member short positions and a selected long position from the at least two member long positions ..." as recited in previously pending independent claim 1.

However, in contrast to the previously pending and amended claims, Applicant submits Finkelstein discusses communications and user interfaces of an exchange system without discussing “identifying a selected short position ... and a selected long position ... .” For example, Applicant notes paragraph 40 discusses “an automated exchange system for instruments,” which “provide[s] support for tracking and disclosure of parties to a transaction” and “provide[s] means for real time communications between potential counterparties to facilitate negotiations” (§ 40, Finkelstein). Further, Applicant notes Finkelstein discusses “an offer broadcast” by “a user,” which may be “an identification of the user, identification of collateral, term, rate, amount available” (§ 44, Finkelstein), and “provides a display screen for a user” which displays “a sorted list of opportunities” of “offers” (§ 46, Finkelstein). Finkelstein further discusses “... provid[ing] a display screen for a user, typically a dealer, investor, or securities lender or borrower, who is interested in evaluating offers for transactions involving particular collateral ... .” (§ 49, Finkelstein).

Applicant submits that Finkelstein's exchange system, which posts “offers” and “opportunities” for a user to view via a user interface, and the offer identifies “collateral, term, rate etc.”, is different from, and in no way discusses the claimed “... identifying ... at the first terminal a selected short position from the at least two member short positions and a selected long position from the at least two member long positions ...,” much less the amended claimed

identifying ... a selected short position from the at least two member short positions and a selected long position from the at least two member long positions, ...;

...  
wherein the transaction includes a system-facilitated lending on a pro-rata basis between the selected positions if total selection member long position is greater than total selection member short position for a given financial instrument, and a borrowing occurs on a pro-rata basis if total selection member short position is greater than total selection member long position for a given financial instrument.

Similarly, Applicant submits White, which discusses “a method for interacting with an offer matching system comprises a number of operations” without discussing a a system-facilitated lending on a pro-rata basis between the selected positions, does not remedy the deficiencies in Finkelstein discussed above with regard to amended independent claim 1.

Furthermore, although of different claim scope, Applicants submit that independent claims 8-14 which depend directly or indirectly from amended claim 1 are also patentably distinct from Finkelstein in view of White for at least similar reasons to those discussed above identifying deficiencies in Finkelstein and White with regard to amended independent claim 1. Applicants further submit dependent claims 2-7 and 15-20, which are directly or indirectly dependent from claim 1, 14 and 15, are also patentably distinct from Finkelstein for at least similar reasons to those discussed above identifying deficiencies in Finkelstein and White with regard to the independent claims.

Accordingly, Applicants respectfully request reconsideration and withdrawal of these grounds of rejections.

## CONCLUSION

Consequently, the reference(s) cited by this Office Action and/or any previous office

action(s) (hereinafter "Office Action(s)") do not result in the claimed invention(s), there was/is no motivation, basis and/or rationale for such a combination of references (i.e., cited references do not teach, read on, suggest, or result in the claimed invention(s)), and the claimed invention(s) are not admitted to be prior art. Also, Applicant does not accept, admit, and/or concede to any Official Notice that has been taken and/or (mis)characterizations of claims made in the Office Action(s). Thus, the Applicant respectfully submits that the supporting remarks and claimed inventions, claims 1-20, all: overcome all rejections and/or objections as noted in the Office Action(s), are patentable over and discriminated from the cited reference(s), and are in a condition for allowance. Furthermore, Applicant believes that the above remarks, which distinguish the claims over the cited reference(s), pertained only to noted claim element portions. These remarks are believed to be sufficient to overcome the prior art. While many other claim elements and/or bases for rejection were not discussed as they have been rendered moot based on the above amendments and/or remarks, Applicant asserts that all such remaining and not discussed claim elements and/or bases for rejection, all, also are distinguished over the prior art and reserves the opportunity to more particularly traverse, remark and/or distinguish over any such remaining claim elements and/or bases for rejection at a later time, should it become necessary. Further, any remarks that were made in response to any Office Action(s) objection and/or rejection as to any one claim element, and which may have been re-asserted as applying to other Office Action(s) objection and/or rejection as to any other claim element(s), any such re-assertion of remarks is not meant to imply that there is commonality about the structure, functionality, means, operation, and/or scope of any of the claim element(s), and no such commonality is admitted as a consequence

of any such re-assertion of remarks. As such, Applicant does not concede that any claim element(s) have been anticipated and/or rendered obvious by any of the cited reference(s) and/or any Official Notice. Accordingly, Applicant respectfully requests reconsideration and withdrawal of the rejection(s) and/or objection(s), and allowance of all claims.



**Authorization**

Applicant hereby authorizes and requests that the Commissioner charge any additional fees that may be required for consideration of this and/or any accompanying and/or necessary papers to Deposit Account No. 03-1240, Order No. 17209-105. In the event that an extension of time is required (or which may be required in addition to that requested in a petition for an extension of time), Applicant requests that the Commissioner grant a petition for an extension of time required to make this response timely, and, Applicant hereby authorizes and requests that the Commissioner charge any fee or credit any overpayment for such an extension of time to Deposit Account No. 03-1240, Order No. 17209-105.

In the event that a telephone conference would facilitate examination of the application in any way, Applicant invites the Examiner to contact the undersigned at the number provided.

Respectfully submitted,  
*Attorney(s) for Applicant,*  
CHADBOURNE & PARKE LLP

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By: /Daniel C. Sheridan/  
Daniel C. Sheridan  
Registration No.: 53,585

**Correspondence Address:**

CHADBOURNE & PARKE LLP  
30 Rockefeller Plaza  
New York, NY 10112

212-408-5100 (Telephone)  
212-541-5369 (Facsimile)  
patents@chadbourne.com (E-mail)